

## **The complaint**

Mr S complains that Barclays Bank UK PLC has treated him unfairly because it has not agreed to write-off his debt on the basis of his medical conditions. Also, Mr S complains that Barclays treated him inappropriately in telling him that it might sell his account

## **What happened**

Mr S has a credit card account with Barclays. In 2016 he began to experience financial difficulties due to a change in his employment status. As a result of this change, Mr S was unable to make his contractual repayments. The knock-on effect of this was that in June 2016 Barclays defaulted the account and after that it accepted token payments from Mr S. This arrangement has so far lasted for six years. Mr S does not complain about these events in this complaint.

However, the situation has now changed. According to Mr S, he has become a vulnerable consumer due to a number of factors. In particular, Mr S has told us about two specific circumstances that he indicates make him vulnerable for medical reasons. And it is these circumstances that he tells us Barclays should take account of in order to write-off his debt on medical grounds.

Specifically, Mr S sent in information from his GP which shows he has been diagnosed with anxiety and depression. Further, at the time he complained to both Barclays and to us Mr S was expecting to receive a diagnosis of a developmental disability. Mr S indicated that this expected diagnosis also makes him a vulnerable consumer on medical grounds.

On the basis of these medical conditions one that has been diagnosed, one that seemingly has not, Mr S indicates that Barclays should stop pursuing him for the debt and write-off the debt on medical grounds. Specifically, he indicates that he is unduly stressed due to the debt. And that given his medical conditions this stress has a greater impact on him than it otherwise would. This in turn causes him harm. Therefore Barclays should write-off the debt to alleviate his stress.

Moreover, Mr S complains that Barclays threatened him by telling him it could, in principle, sell his account in the future. Mr S is also unhappy about this.

In any event, Mr S has told Barclays that he does not expect it to pursue him for the debt any longer and if it does he will take it to court. Mr S considers that since he has told Barclays that this is his expectation it should take heed and act in line with his expectations.

Further, Mr S points out that other third party lenders have written off his debts with them due to his health conditions, and therefore Barclays is out of step with industry best practice in refusing to write-off this debt too.

Mr S thinks that in addition to writing-off the balance on medical grounds, Barclays should also make a payment to him of £10,000. Mr S requires £10,000 from Barclays because this is a multiple of what he owes it, and also because it is the “fee” he feels entitled to charge it for making him deal with this matter.

I'll mention for completeness that Mr S has also told Barclays that due to the current recent cost of living crisis, temporarily his financial situation has changed, and he will no longer make payments to it whilst this is the case. Barclays has accepted this and as a result it has

told Mr S it will not ask Mr S to make repayments while his finances are temporarily impacted like this. But Mr S has not complained, in this complaint, about experiencing long-term financial difficulties, neither has Barclays investigated this.

Barclays initially told Mr S that he did not meet its criteria for writing-off his debt on medical grounds. But it also told Mr S that should things change with his health and if he had evidence to prove this, it would be willing to consider the matter again. It also told him, as I've already mentioned, that it could, in principle, sell his account in future.

Mr S then sent Barclays further new information about his health. Barclays considered this new information but told Mr S that its decision regarding writing-off his debt on medical grounds had not changed. Moreover, it did not agree that by telling him that in principle it could sell his account in future it was acting inappropriately. Barclays also told Mr S what further help was available to him by telling him about its specialist support team. It appears that this team is now aware of Mr S and the history of the correspondence he has had with Barclays about this matter.

For all of these reasons Barclays did not think it had done anything wrong and rejected Mr S's complaint.

Dissatisfied with Barclays' responses Mr S came to our service.

Once Mr S's complaint was with us he raised new matters about the information that Barclays has sent to him in response to a request from him. Mr S also raised a new matter about being told previously that the debt would never be sold to a third party. He also added that Barclays is acting in the way it is because this is a deliberate ploy on the part of Barclays, to make his health conditions worse. In addition, Mr S mentioned that he is a homeowner, he said Barclays could have secured the debt on his home, but it has chosen not to do so. He suggested this shows that Barclays is not acting in good faith.

Moreover, Mr S indicated that he is going to keep on complaining to Barclays so that it becomes economically unviable for Barclays to keep on pursuing him for the debt. He also indicated that he had been able to persuade the third party lenders to stop pursuing him, in part by taking a similar approach.

Mr S thinks that Barclays only told him about being able to sell his account because he asked it to write-off his debt.

One of our investigators looked into Mr S's complaint. Our investigator did not recommend that Mr S's complaint should be upheld.

Barclays accepted our investigator's recommendation, Mr S did not. In summary, in rejecting our investigator's recommendation Mr S reiterated his previous stance.

Mr S asked that an ombudsman review his complaint.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

First, I'm very aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. Rather, I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

I recognise that Mr S has very strong feelings about his complaint. However, I don't uphold his complaint. I don't say this to upset him further, far from it. I'll explain below why I've come to this conclusion.

As I've already mentioned, Mr S has now also complained about new issues namely:

- The information that Barclays sent him in response to a request from him.
- Barclays breaking a previous promise to him to never sell on his debt with it.
- Barclays deliberately trying to make his health worse.
- Barclays not applying to secure the debt on his home therefore this suggests to him it is acting in bad faith.

All of these are new matters and they have not been considered by Barclays in its final response to Mr S or investigated within this complaint. It follows that I am unable to look at these new matters in this decision.

Mr S has complained about four very narrow issues he wants Barclays to write-off his debt on medical grounds. Moreover, he has told Barclays that he does not expect it to contact him ever again about this debt, and if it does he will go to court. Therefore, Mr S considers since he has made it clear what his stance is, Barclays must respect this and stop pursuing him for the debt, in any event. Mr S wants Barclays to pay him £10,000. Further he considers Barclays acted in an inappropriate manner when it told him in principle it could sell his account in future.

I'll look at each of these issues in turn.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Mr S tells us he is a vulnerable consumer for several reasons including medical reasons. This is relevant because part of his complaint is about wanting Barclays to write-off the debt on medical grounds. Mr S indicates that the medical conditions that make him vulnerable are his diagnosis of anxiety and depression and his expectation that he will be diagnosed with a developmental disability. Further, he tells us because of his medical conditions his stress is heightened to such a level it is causing him harm. As a result Mr S wants Barclays to write-off his debt.

A vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care. It should be noted that having a health condition could make a consumer vulnerable. And further having a health condition and being especially susceptible to stress about a debt due to that health condition could make a consumer vulnerable too.

The Financial Conduct Authority who regulates Barclays expects regulated firms to provide their customers with a level of care that is appropriate given the characteristics of the customers themselves. The level of care that is appropriate for vulnerable consumers may be different from that for others and regulated firms should take particular care to ensure they are treated fairly. Regulated firms also need to have adequate processes and control systems in place to ensure they are managing the risk of harm to vulnerable customers.

Moreover, relevant industry guidance does provide for writing-off debt, when appropriate, where a consumer has mental health conditions. But simply because a consumer has a mental health condition does not mean that debt should be automatically written-off. Rather, I would expect a financial business to look into writing-off unsecured debts where mental health conditions are long-term, hold out little likelihood of improvement, and are such that it is highly unlikely that the person in debt would be able repay their outstanding debts due to these conditions or where the debt is causing such a level of stress that it would be fair to

write-off the debt. Moreover, Barclay's policy for writing-off debt in these circumstances relies on similar principles, and I'd expect Barclays to apply its own guidance and to do so fairly.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulator's rules, guidance and standards and codes of practice and (where appropriate) what I consider to have been good industry practice at the time as well as the firm's own stated policies.

Therefore if I thought that Mr S was a vulnerable consumer due to his health and that Barclays had not treated Mr S fairly including managing the risk of harm to him given his status and the impact of his circumstances on him, I would find it fair and reasonable to ask Barclays to put things right.

I'm satisfied that the independent expert evidence Mr S has provided shows he is vulnerable due to his diagnosis of anxiety and depression. However, whilst I recognise Mr S considers it likely he will be diagnosed with a developmental condition and I can see that he has been referred to at least one specialist, as yet it seems that he has no such diagnosis. And to be able to accurately say he has this condition he would need a medical diagnosis. Therefore I am unable to reasonably conclude that Mr S is vulnerable due to the developmental condition he tells us he has.

Mr S has told us he finds it stressful that he has this debt. And it seems likely that his stress is heightened due to his anxiety and depression. Although I note none of the medical evidence directly says this. However, that is not the same as saying he is being caused such a level of stress that it would be fair to write off his debt. Rather his conduct suggests he is capable of dealing robustly with Barclays. Neither has Mr S demonstrated that he has no realistic prospect of paying off the debt. He himself has suggested that he has an asset that could be used to pay off the debt. In other words Mr S has not demonstrated that Barclays has not met his needs as a vulnerable consumer and caused him harm as a result by not writing-off his debt.

I also note that Barclays has given Mr S details of its specialist team. Barclays indicates that this team will be aware of what Mr S has told Barclays previously. I have no reason to doubt this. So Mr S has a clear and consistent route for escalating his concerns, Which is another requirement of the relevant regulations and guidance.

Therefore, for all of these reasons, I am satisfied that Mr S has been treated fairly when I take into account his vulnerable status due to his medical condition.

Moreover, I note for completeness only that Barclays is not currently collecting the debt from Mr S. Albeit this is not based on meeting Mr S's needs as a vulnerable consumer based on his mental health conditions.

I realise that Mr S considers that he has made it clear to Barclays that he does not think it should continue to pursue him and that he will take it to court if it does. I also recognise Mr S thinks that Barclays' position would be untenable if it did pursue him. But whilst Mr S's strength of feeling about this is clear and his belief seems to be firmly held, I don't agree with him. I say this because Barclays is entitled to form its own view about this matter and does not have to follow Mr S's stance just because he thinks that it has to. But to be clear, I am making no finding about what the outcome of any such court action might likely be, as that would be inappropriate.

Moreover, Mr S tells us that other businesses wrote-off his debt on medical grounds. He indicates that demonstrates that Barclays should do the same. However, Barclays does not have to follow their lead. In other words, just because other businesses may have taken this position it does not follow that Barclays has to do so too.

Mr S asks that Barclays be made to pay him £10,000. His reasons for this appear to be two-fold as I set out earlier. But simply multiplying a debt and then asking the creditor to pay this

sum, is not a compelling reason for requiring a business to make a payment. While I understand Mr S thinks he is entitled to charge Barclays a fee, I don't agree with him. Mr S contracted with Barclays when he opened the account. It is merely rely on the terms of the contract. I don't see therefore why it would be appropriate for Mr S to charge Barclays a fee for this. It follows I am not persuaded by Mr S's stance on this. It also follows that I don't find Barclays has to make any such payment to him.

I can well understand that Mr S might have been disconcerted at the prospect that even in principle Barclays might sell his account. But I don't agree that because Mr S says Barclays told him about this hypothetical possibility it was threatening him. That said, given Mr S's anxiety in particular, I would expect Barclays to take account of Mr S's needs before it took such an action.

For all of these reasons I find I have no proper basis to tell Barclays it has to take any further action.

Mr S has not complained about long-term financial difficulties in this complaint. Neither has he said he has complained to Barclays that he finds it unfair that he is making token repayments to Barclays and if he continues at his current rate, it will take him centuries to pay off the debt. If Mr S does want to complain about this he would need to raise this complaint with Barclays first.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 October 2023.

Joyce Gordon  
**Ombudsman**